EXHIBIT–B

SCOPE OF WORK

OLD BREMERTON GASWORKS AND SESKO PROPERTY BREMERTON, WASHINGTON

AGREED ORDER NUMBER: DE-10TCPHQ-7721

Based on the Findings of Fact and Ecology Determinations, it is hereby ordered that the Cascade Natural Gas Corporation (CNGC), Paul McConkey and Natacha Sesko take the following remedial actions at the Old Bremerton Gasworks and Sesko Property Site (Site) and that these actions be conducted in accordance with Model Toxics Control Act (MTCA), Chapter 173-340 WAC unless otherwise specifically provided for herein.

The following Scope of Work (SOW) provides the Washington State Department of Ecology (Ecology) with an outline of the tasks that the PLPs will complete during the Remedial Investigation/Feasibility study (RI/FS) work at the Site generally located at 1725 Pennsylvania Avenue, Bremerton, Washington. All submittals shall be in accordance with the requirements of WAC 173-340-840. Generally the PLPs will perform RI/FS including, but not limited to the following tasks:

A. Preparation of a Draft Remedial Investigation and Feasibility Study Work Plan (Work Plan)

a. The PLPs shall develop a Work Plan in consistent with WAC 173-340-350(7) requirements, which should include general facility information, site background and conditions, field investigations (soils, groundwater, surface water and sediments), land use, contaminant migration pathways, conceptual site model, hydrological characteristics, natural resources and ecological receptors and hazardous substance sources.

As a part of the site background and conditions, results of all previous investigations should be compiled and evaluated in the Work Plan along with identifying any data gaps that needs to be filled to define the lateral and vertical extent of soils, groundwater, sediments and surface water (if needed) contamination. Also the Work Plan shall propose

supplemental field investigations for the necessary additional data collection for defining the full nature and extent of contamination. A site-specific conceptual model should present all known/potential contaminant sources, potential release mechanisms and potential routes of migration, including an analysis of underground discharge pipes and conduits for subsurface migration. A cross-sectional diagram representing the media wise surface and subsurface migration pathways, impacting human and environmental receptors should be included.

b. The Work Plan shall include preliminary cleanup levels for soils and groundwater based on the evaluation of applicable, relevant and appropriate requirements (ARARs). Since the site is located right next to the Port Washington Narrows, the cleanup levels must be developed based on the protection of marine surface water.

The evaluation of soil preliminary cleanup levels should include, but not limited to the following:

- Concentrations Protective of Direct Human Contact
- Concentrations Protective of Groundwater as Marne Surface Water
- Concentrations Protective of Terrestrial Ecological Receptors
- MTCA Method A Cleanup Levels, unrestricted land use

The evaluation of groundwater preliminary cleanup levels should include, but not limited to the following:

- MTCA Method-A
- MTCA Method-B (carcinogen and noncarcinogen)
- Ambient Water Quality Criteria (AWQC) for Protection of Aquatic Life Chronic (Chapter 201A WAC and 40 C.F.R. Part 131)
- AWQC for Protection of Human Health-Organisms (40 C.F.R. Part 131d (National Toxics Rule)
- National Recommend Water Quality Criteria (Protection of Aquatic Life-Acute and Chronic; Protection of Human Health-Organisms only).

c. The Work Plan shall also include a Sampling and Analysis Plan (SAP) and a Quality Assurance Project Plan (QAPP) meeting the requirements of WAC 173-340-820 and WAC 173-340-720 through 747 respectively. The proposed analytical procedures shall be consistent with WAC 173-340-830. Also sufficient information should be collected for determining any impacts from the Site's contamination on the natural resources and ecological receptors for the terrestrial ecological evaluation (TEE). The SAP should include and discuss in detail the sampling objectives, analytical methods, equipments, locations with basis, depths, number of samples, sample handling and analysis and standard operating procedures. The SAP must contain, but not limited to the following sections:

- Introduction
- Sampling Objectives
- Sampling activities organization and responsibilities
- Sampling locations with justification
- Sample designation
- Sampling Equipment and its operation
- Sample Handling and Analysis
- Sampling Procedures
- Waste Management
- Standard Operating Procedures

d. The QAPP will describe the project objectives and organization, quality assurance and quality control protocols, sampling procedures, sample custody, analytical procedures and data reduction and reporting. The PLPs shall utilize a laboratory that is certified by the Washington State Department of Ecology. The QAPP should contain at a minimum the following sections:

- Project Description
- Project Specific Quality Assurance Objections

- Project Organization Chart
- Analytical Techniques and Procedures
- Quality Control and Quality Assurance Procedures
- Data Quality Objectives
- Data Reduction, Validation and reporting
- Internal Quality Control
- Performance and Systems Audits
- Preventive Maintenance
- Data Assessment Procedures
- Corrective Actions

e. A Site-Specific Health and Safety Plan ((HSP) shall be prepared meeting the requirements of WAC 173-340-810 for conducting all the project work.

f. A Public Participation Plan (PPP) should also be included in the draft Work Plan meeting the requirements of WAC 173-340-600, describing the process for public involvement process. Ecology will develop a draft PPP and provide a draft copy to the PLPs for their review and input.

g. <u>Feasibility Study</u>

The feasibility study (FS) will evaluate remedial alternatives for Site cleanup, consistent with MTCA requirements to ensure protection of human health and the environment by eliminating, reducing, or otherwise controlling risk posed through each exposure pathway and migration route (WAC 173-340-350(8)).

Media-specific general remedial alternatives for the Site will be screened as an initial element of the FS in accordance with WAC 173-340-350(8)(b) and WAC 173-340-360(2). Remedial alternatives for the Site will be screened relative to MTCA criteria. The screening process removes from further consideration of technologies that are not applicable or

technically possible for the Site, or that can be represented by other, comparable technologies in order to simplify the development of remedial alternatives. Additionally, alternatives for which costs are clearly disproportionate under WAC 173-340-360(3)(e) may be removed from further detailed analysis.

The media-specific remedial technologies that pass the screening process will be combined into Site-wide remedial alternatives. The remedial alternatives that have not been removed from consideration by the screening process will be assembled for detailed evaluation.

A detailed analysis of each remedial alternative will be conducted according to the requirements of WAC 173-340-350 through WAC 173-340-370. In particular, the remedial alternatives will be evaluated for compliance with the requirements of WAC 173-340-360, *Selection of Cleanup Actions.* Unless the Parties agree on a permanent cleanup action (defined in WAC 173-340-200) for the Site, the Feasibility Study should include a disproportionate cost analysis, ranking each cleanup alternative from most to least permanent, according to a detailed evaluation of the following criteria:

- Protectiveness
- Permanence
- Cost
- Effectiveness Over the Long Term
- Management of Shortness Risks
- Technical and Administrative Implementability
- Consideration of public Concerns

The remedial alternative that is judged to best satisfy the evaluation criteria will be identified. Justification for the selection will be provided, and the recommended remedial alternative further developed, in the RI/FS Report.

B. SEDIMENTS

The PLPs will determine the vertical and horizontal extent of sediment contamination as per the requirements of Sediment Management Standards, WAC 173-204. The sediment investigation work shall include, but not limited to the following:

- Collection of sufficient number of sediment samples to characterize the overall nature and extent of sediment contamination and potential biological effects in the Port Washington Narrows adjacent to the Site.
- Conduct a suite of sediment toxicity tests on synoptic sediment samples.
- Provide a description of physical characteristics of the site including potentially impacted portions.
- Delineate impacted areas that may require remedial action, identify remedial alternatives, and assess the feasibility of implementing any remedial action.
- Identify whether subsequent investigation are needed to further characterize the nature and extent of contamination.

C. HABITAT RESTORATION

The Work Plan should identify habitat restoration opportunities for both the uplands and sediments at the Site. The Site is being overseen by Ecology and work is being done in an expedited manner under the Governor's Puget Sound Initiative. The initiative focuses on cleaning up contamination as well as restoring Puget Sound. Ecology recognizes that site cleanups can be designed and implemented in a manner that improves habitat values and provides for shoreline restoration in conjunction with remedial actions. While planning the cleanup, and making cleanup decisions, Ecology and CNGC, Paul McConkey and Natasha Sesko will evaluate opportunities to perform remedial actions in a fashion that coincidentally enhances habitat. Elements of the remedial action should be evaluated for restoration opportunities.

D. Field Data Collection to Fill Data Gaps Identified in the Work Plan

The PLPs must perform field investigations that will address the data needs and the requirements of the WAC 173-340-350 for the uplands and WAC 173-340-760 (and Sediment Management Standards, WAC 173-204) for the aquatic sediments. The results of the filed investigations should aid in the determination of contaminants and the evaluation of on and off-property migration of contaminants and evaluation of the actual risk posed by the contaminants to human health and the environment. Field sampling and analysis will be completed in general accordance with the SAP and QAPP. The SAP identifies the proposed number of soil borings, groundwater monitoring wells, number of soil and groundwater samples (but does not limit the number of such locations and samples), approximate depths, and includes a quality assurance/quality control plan.

E. Preparation of Draft Remedial Investigation/Feasibility Study Report

The draft Remedial Investigation/Feasibility Study reports will present the conclusions of the remedial investigation activities including delineation of the nature and extent of groundwater, soil, sediment and surface water (if warranted) contamination, and a conceptual site model based on the identified contamination migration pathways. The feasibility study will present and evaluate remedial alternatives to address the identified contamination at the Site. Based on the evaluation of alternatives (WAC 173-340-350(8)), the feasibility study will identify a preferred remedial alternative in compliance with WAC 173-340-360 for the Site. At a minimum the RI/FS report should include:

- Executive Summary
- Introduction (Objective and report organization)
- Site Description, History, and Regulatory Framework (Historical operations, and site uses, environmental setting, current and likely future land use, basis of concern and regulatory frame work)
- Previous remedial investigation results and evaluation.

- Development of Cleanup levels (soil, groundwater sediment; Points of compliance)
- Soil Investigations and Results
- Groundwater investigations and results
- Marine Area (sediment) investigations, results and evaluation
- Overall remedial investigation results and evaluation
- Conceptual Site Model
- Locations and media requiring cleanup action evaluation in feasibility study
- Screen out the inappropriate cleanup alternatives
- Detailed evaluation of retained cleanup alternatives
- Recommendation of cleanup alternatives for different media.

F. Preparation of a Draft Cleanup Action Plan

Upon Ecology approval of the final Remedial Investigation/Feasibility Study report, the CNGC, Paul McConkey and Natasha Sesko shall prepare a draft cleanup action plan (DCAP) in accordance with WAC 173-340-380 that provides a proposed remedial action to address the contamination present on the Site. The DCAP shall include a general description of the proposed remedial actions, cleanup standards developed from the Remedial Investigation/Feasibility Study and rationale regarding their selection, a schedule for implementation, description of any institutional controls proposed, and a summary of applicable local, state, and federal laws pertinent to the proposed cleanup actions. A draft DCAP must be submitted to Ecology for its review and approval.